

## Healthcare's Fountain of Youth

Undeniably, aging populations, chronic diseases and ongoing constraints on public finances are presenting significant challenges to healthcare systems in Europe. The European Steering Group (ESG) on sustainable healthcare recently noted that to achieve sustainability of healthcare systems, a fundamental transformation is needed "from acute care to chronic care, from hospital dependency to integrated care across all levels of health systems, as well as from cost and volume to value and outcome." The ESG noted that patient-centricity in particular is key; citizens need to be encouraged to live active and healthy lifestyles to prevent diseases. And when prevention is not enough, patients need to be closely involved in the management of disease to ensure best possible outcomes.

The effective use and application of information and communication technology will play a significant role in patient engagement. In his book, *The Patient Will See You Now: The Future of Medicine is in Your Hands*, Eric Topol refers to this as the "democratisation of medicine," and describes how we are moving into an era of consumer empowerment, where individuals will embrace mobile technology for self-monitoring and health management. A patient will be able to generate his or her own data on their own devices – such as blood pressure, blood glucose or even ECG (electrocardiogram) measurements – and immediately analyse that data via a smartphone application to act upon accordingly.

With patients managing their own health information, there is a significant opportunity for more shifts from acute hospital care to outpatient, community and home settings. In fact, home care is already taking off, with growth surges expected over the next decade.

But how will this impact the healthcare industry and the way we deliver health to patients? According to UPS's 2014 *Pain in the (Supply) Chain* survey, which measures trends in healthcare supply chain management, 21 per cent of global survey respondents cited the shift to home care as a key trend driving business and

supply chain changes. Respondents reported that 30 per cent of products will support the home care channel in the next seven to 10 years, mainly due to increased personalisation, where therapies are matched to specific patient characteristics.

What this means is that healthcare providers, pharmaceutical companies, and suppliers must all work together to serve the specific needs of patients at home. Linear and indirect supply chain structures – where products move from manufacturers through wholesalers to dispensers – are no longer sufficient. To support the increasing personalisation of healthcare and shift to a community and homecare setting, healthcare manufacturers and logistics providers need to manage alternative networks that are flexible and provide the most effective, efficient conduit to the market for each product in the manufacturer's portfolio.

But it is not only the reorganisation of care to a setting that meets the needs of patients, where the convergence of healthcare and consumer markets can be witnessed. There are other areas where the lines are starting to blur. High-tech companies and fast-moving consumer goods companies are now offering healthcare products, pharmaceutical companies are investing in diagnostics, medical devices are being created with pharmaceutical components, and many more previously unheard of collaborative activities are occurring between different sectors of the industry.

This presents a huge opportunity for stakeholders in the healthcare sector to develop an integrated system where healthcare professional and patients, pharmaceutical manufacturers, world-class technology companies and healthcare experts in the supply chain work hand-in-hand to foster greater efficiency and better health outcomes.

To properly harvest the opportunities that technology presents, logistics and effective supply chains are a central element. Logistics will be key to delivery, returns management and servicing, which

might mean delivering new batteries, bringing replacement devices, or acting automatically on behalf of the care provider if error messages are received at the point of care. It enables the reduction of patient visits to care centres and solves the physical connectivity challenge bringing all the stakeholders together. In the UK, for example, logistics providers such as UPS already operate fully licensed pharmacies to fulfil patient prescriptions for home deliveries, and co-ordinate activities between hospitals, community-based healthcare professionals and patients. Further value is brought to both the health service and pharma companies by collating and sharing data, giving better understanding of the performance of treatments over the long term across a wide range of patients.

Efficient logistics networks will help bring the convergence of healthcare and consumer markets to life, and needs to be understood as a central element and value-adding component in the healthcare ecosystem.



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